

GAS FLARING

October 26, 2016

Company	Wells Flaring over 100	Wells Flaring over 100 w/o Exception	Current Exceptions (over 100)	Exception Requests	Wells over 100 Hooked to Pipeline
Continental	2	0	2	0	1
EOG Resources	0	0	0	0	0
Kraken	1	1	0	1	1
Oasis	0	0	0	0	0
Petro-Hunt	3	0	3	0	0
Whiting	18	21	0	21	2
XTO	0	0	0	0	0
Totals	24	22	5	22	4

Flaring Requests

Summary

There are 24 wells flaring over 100 MCFG per day based on current production numbers.

5 of the 24 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There are 22 exceptions requested at this time.

Kraken

Lysemose 33-34 #1H – API #25-083-23303, 26N-59E-32 – Approved 6 months

1. Flaring 111 MCF/D. Second exception request expired 4/28/16.
2. Completed: 1/2015.
3. Estimated gas reserves: 400-500 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 1 MCF/D.
7. Justification to flare: The well was tied into the ONEOK gas sales line on 10/27/15, however, Kraken has had very limited success selling gas into the line due to sales line pressure.

Whiting Oil & Gas–All approved 6 months

Prewitt 21-25-1H – API #25-083-23318, 25N-58E-25

1. Flaring 160 MCF/D. Second exception request expired 8/10/16.
2. Completed: 2/2015.
3. Estimated gas reserves: 323 MMCF.
4. Proximity to market: 500 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Prewitt 21-25-2H – API #25-083-23317, 25N-58E-25

1. Flaring 103 MCF/D. Second exception request expired 8/10/16.
2. Completed: 2/2015.
3. Estimated gas reserves: 492 MMCF.
4. Proximity to market: 500 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Buxbaum 21-5-1H – API #25-083-23256, 24N-60E-5

1. Flaring 132 MCF/D. Second exception request expired 8/10/16.
2. Completed: 2/2015.
3. Estimated gas reserves: 550 MMCF.
4. Proximity to market: 11,000 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Buxbaum 21-5-2H – API #25-083-23316, 24N-60E-5

1. Flaring 127 MCF/D. Second exception request expired 8/10/16.
2. Completed: 2/2015.
3. Estimated gas reserves: 783 MMCF.
4. Proximity to market: 11,000 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Buxbaum 21-5-3H – API #25-083-23315, 24N-60E-5

1. Flaring 115 MCF/D. Second exception request expired 8/10/16.
2. Completed: 2/2015.
3. Estimated gas reserves: 798 MMCF.
4. Proximity to market: 11,000 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Malsam 14-18-3H – API #25-083-23265, 24N-60E-18

1. Flaring 141 MCF/D. Second exception request expired 8/10/16.
2. Completed: 1/2015.
3. Estimated gas reserves: 410 MMCF.
4. Proximity to market: 1,500 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Malsam 14-18-4H – API #25-083-23266, 24N-60E-18

1. Flaring 203 MCF/D. Second exception request expired 8/10/16.

2. Completed: 1/2015.
3. Estimated gas reserves: 419 MMCF.
4. Proximity to market: 1,500 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Skov 31-27-1H – API #25-083-23293, 25N-59E-27

1. Flaring 94 MCF/D. Second exception request expired 8/10/16.
2. Completed: 1/2015.
3. Estimated gas reserves: 586 MMCF.
4. Proximity to market: 12,500 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Skov 31-27-2H – API #25-083-23294, 25N-59E-27

1. Flaring 85 MCF/D. Second exception request expired 8/10/16.
2. Completed: 1/2015.
3. Estimated gas reserves: 406 MMCF.
4. Proximity to market: 12,500 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Skov 31-27-3H – API #25-083-23295, 25N-59E-27

1. Flaring 117 MCF/D. Second exception request expired 8/10/16.
2. Completed: 1/2015.
3. Estimated gas reserves: 441 MMCF.
4. Proximity to market: 12,500 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Palmer 24-21-4H – API #25-083-23250, 26N-57E-21

1. Flaring 133 MCF/D. Fourth exception request expired 8/10/16.
2. Completed: 7/2014.
3. Estimated gas reserves: 574 MMCF.

4. Proximity to market: 16,400 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Young 31-1-1H – API # 25-083-23261, 24N-59E-1

1. Flaring 154 MCF/D. First exception request expired 8/25/15.
2. Completed: 11/2014.
3. Estimated gas reserves: 198 MMCF EUR.
4. Proximity to market: 6-7 miles to Hilands; 1.5-2 miles to Oneok system.
5. Flaring alternatives: Doing cost evaluation on gas recapture unit for pad.
6. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Young 31-1-2H – API # 25-083-23282, 24N-59E-1

1. Flaring 141 MCF/D. First exception request expired 8/25/15.
2. Completed: 11/2014.
3. Estimated gas reserves: 198 MMCF EUR
4. Proximity to market: 6-7 miles to Hilands; 1.5-2 miles to Oneok system.
5. Flaring alternatives: Doing cost evaluation on gas recapture unit for pad.
6. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Young 31-1-3H – API # 25-083-23272, 24N-59E-1

1. Flaring 113 MCF/D. First exception request expired 8/25/15.
2. Completed: 11/2014.
3. Estimated gas reserves: 198 MMCF EUR.
4. Proximity to market: 6-7 miles to Hilands; 1.5-2 miles to Oneok system.
5. Flaring alternatives: Doing cost evaluation on gas recapture unit for pad.
6. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Young 31-1-4H – API # 25-083-23273, 24N-59E-1

1. Flaring 141 MCF/D. First exception request expired 8/25/15.
2. Completed: 11/2014.
3. Estimated gas reserves: 198 MMCF EUR.
4. Proximity to market: 6-7 miles to Hilands; 1.5-2 miles to Oneok system.
5. Flaring alternatives: Doing cost evaluation on gas recapture unit for pad.
6. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Hunter 21-26-2H – API #25-083-23274, 25N-58E-26

1. Flaring 117 MCF/D. Second exception request expired 10/6/16.
2. Completed: 11/2014.
3. Estimated gas reserves: 404 MMCF.
4. Proximity to market: 500 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Flaring alternatives: None.

7. Amount of gas used in lease operations: 2 MCF/D.
8. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Hunter 21-26-4H – API #25-083-23276, 25N-58E-26

1. Flaring 160 MCF/D. Second exception request expired 10/6/16.
2. Completed: 12/2014.
3. Estimated gas reserves: 368 MMCF.
4. Proximity to market: 500 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 2 MCF/D.
8. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Sundheim 21-27-2H – API # 25-083-23214, 25N-58E-27

1. Flaring 209 MCF/D. Second exception request expired 8/25/15.
2. Completed: 7/2014.
3. Connected to gathering system 7/18/2014.
4. Estimated gas reserves: 198 MMCF EUR.
5. Flaring alternatives: None.
6. Justification to flare: Current issues revolve around line pressure due to plant capacity and various re-routes of lines for compression.

Christiansen 34-12-2H – API #25-083-23223, 25N-58E-12

1. Flaring 75 MCF/D. Second exception request expired 10/6/16.
2. Completed: 8/2014.
3. Estimated gas reserves: 309 MMCF.
4. Proximity to market: 5280 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 2 MCF/D.
8. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Christiansen 34-12-4H – API #25-083-23225, 25N-58E-12

1. Flaring 132 MCF/D. First exception request expired 6/3/15.
2. Completed: 8/2014.
3. Estimated gas reserves: 435 MMCF.
4. Proximity to market: 5280 ft to pipeline.
5. Estimated gas price at market: ~\$2.41/MCF.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 2 MCF/D.
8. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Sundheim 21-3-2H – API # 25-083-23211, 25N-58E-3

1. Flaring 108 MCF/D. Second exception request expired 6/3/15.
2. Completed: 6/2014.
3. Connected to gathering system 6/9/2014.

4. Flaring alternatives: None.
5. Justification to flare: Current issues revolve around line pressure due to plant capacity and various re-routes of lines for compression.